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Brugdan temporarily suspended

Statoil and its partners, ExxonMobil and Atlantic Petroleum, have decided to temporarily suspend the well drilling operation Brugdan 2 in Faroe waters. The Brugdan 2 well has been drilled down to the layering beneath the basalt, but it has not yet reached its primary target. As winter is upon us, the weather is expected to deteriorate substantially and therefore the decision to suspend the drilling operation has been taken. The Faroe authorities have agreed to this suspension extending to the end of 2013. The well is located app 40 nautical miles from land and the well was spudded on the 17th of June 2012 by the drilling platform the Cosl Pioneer at a depth of 450 metres. The Brugdan 2 well is the second well drilled in license 006. The licensed area comprises an approximate 579 square kilometre area. Statoil has been present in the Faroes since 2000 and is today the operating company in six Faroe licenses. These licenses are all so-called sub-basalt licenses, but the geology varies greatly. The overriding Statoil strategy is to enter a new virgin area early and to seek a commanding role. The Statoil stance in the Faroes reflects this strategy. Statoil holds a 50 % stake in the Brugdan license with ExxonMobil holding a 49% stake and Atlantic Petroleum the remaining 1%. The Brugdan 2 well is the eighth well to be drilled in Faroe waters since exploration began in 2001. Mr. Ben Arabo CEO of Atlantic Petroleum comments - Atlantic Petroleum is comfortable with the decision to temporarily suspend the well, as the operations are then able to bypass the harsh weather window. We look forward to the partnership re-entering the well in due course. In a comment the Faroe petroleum authorities stand fully behind the decision to temporarily suspend the drilling operation. The decision to agree a stop has been taken in the light of that the whole drilling operation was initially challenging, both technically and geologically and the